

A Deepwater Legacy

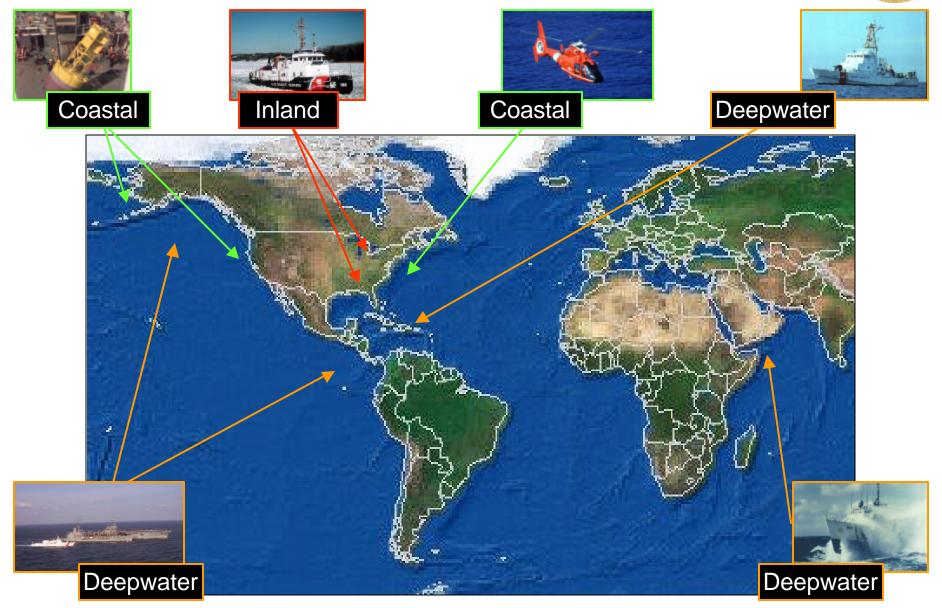


Since 1790, the Coast Guard has unfailingly provided vital services and benefits to the United States because of its distinctive blend of humanitarian, law-enforcement, diplomatic, and military capabilities. Deepwater assets defend the nation's sovereignty and national security in America's ports and coastal waters as well as offshore.



Coast Guard Mission Areas





Nationally Mandated Missions



Maritime Safety

Search and Rescue

International Ice Patrol

Maritime Mobility

Lightering Zone Enforcement

Foreign Vessel Inspection

Maritime Security

Drug Interdiction

General Enforcement of Laws and Treaties

Alien Migrant Interdiction

National Defense

Homeland Security

General Defense Operations

Maritime Interception Operations

Military Environmental Defense Operations

Port Operations, Security, & Defense

Peacetime Military Engagement

Coastal Sea Control

Protection of Natural Resources

Marine Pollution Enforcement & Response

Living Marine Resource Enforcement

Maritime Safety



SEARCH AND RESCUE

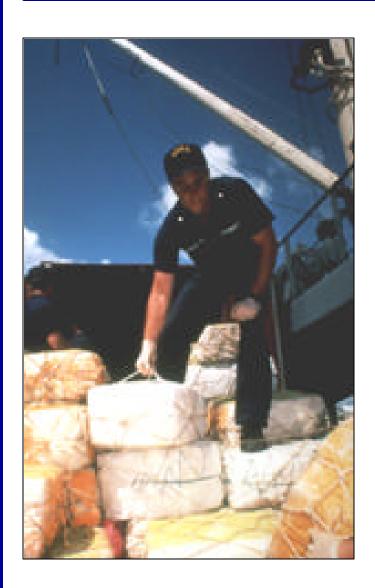




"When the SAR Alarm Goes Off, We're Always There"

Maritime Security





DRUG INTERDICTION

Coast Guard Impact (Fiscal Year 2001):

- Seized 138,393 lbs. of Cocaine
- Seized 34,520 lbs. of Marijuana
- \$4.5 Billion of Drugs Interdicted

Maritime Security





ALIEN MIGRATION INTERDICTION

- Estimated that over 30,000 people illegally migrate to the western hemisphere every year
- \$10-30,000 per migrant to send them back to their country of origin if they reach our shores.

"As the gap between the 'haves' and the 'have nots' widens, there will be increasing occurrence of illegal migrants attempting to reach our shores."



Protection of Natural Resources



LIVING MARINE RESOURCE ENFORCEMENT

Edible fish products

Demand

(Tons)



1998	2015

80,000,000 115,000,000

Availability

Atl. NW (Tons)



Max	Harvest	

2,500,000

Most Recent

1,000,000



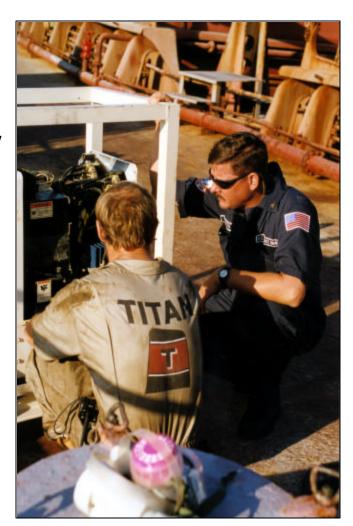


Maritime Mobility



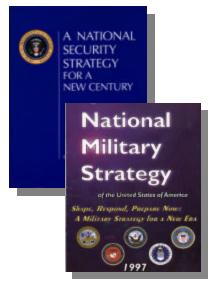
FOREIGN VESSEL INSPECTION

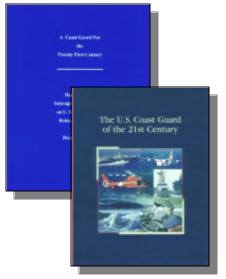
- In 1997, some 90 % of U.S. foreign trade by tonnage valued at nearly \$1.7 trillion moved by ship, most of it in vessels flying the flags of other countries.
- On average, 14 foreign vessels enter/depart U.S. ports for every U.S. vessel on an international voyage.



National Defense







Unique Instrument of National Security

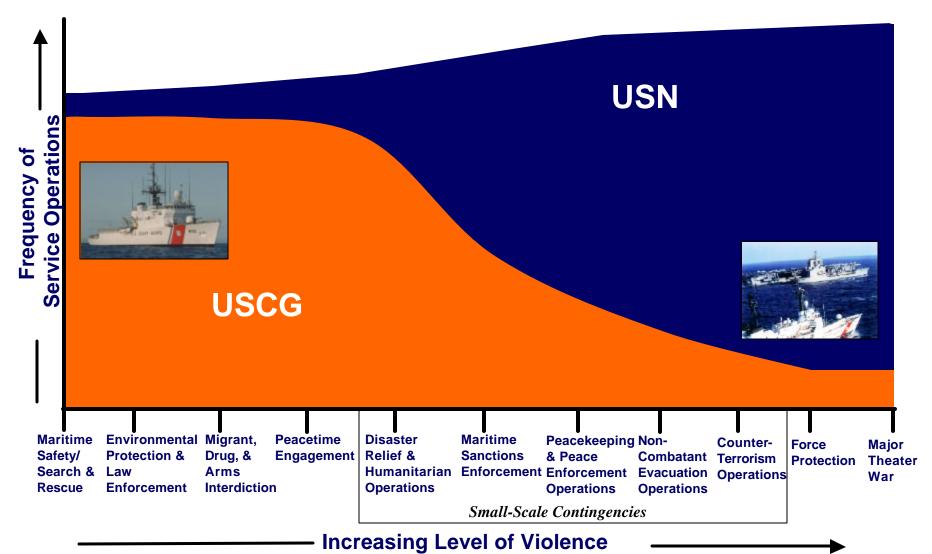
- Military capabilities blended with law enforcement authorities and an international humanitarian reputation
- Relevant, non-redundant, complementary and interoperable capabilities that support the National Military Strategy

Shaping the International Environment

- Maritime presence & port visits
- Training teams, exercises & combined operations
- Personnel exchanges
- Information sharing & military-to-military contacts

Full Spectrum of Operations





Interoperability: National Fleet



"The Navy and Coast Guard will work together to build a National Fleet of multi-mission surface combatants, major cutters, patrol boats, and aircraft to maximize our effectiveness across all naval and maritime missions.

The Navy and Coast Guard will coordinate resource planning, information systems integration, and research and development, as well as expand joint concepts of operations, logistics, training, exercises, and deployments.

The Coast Guard and Navy will work together to acquire and maintain forces that mutually support and complement each Service's roles and missions."

NATIONAL FLEET
 A Joint Navy/Coast Guard Policy Statement
 27 February 2001

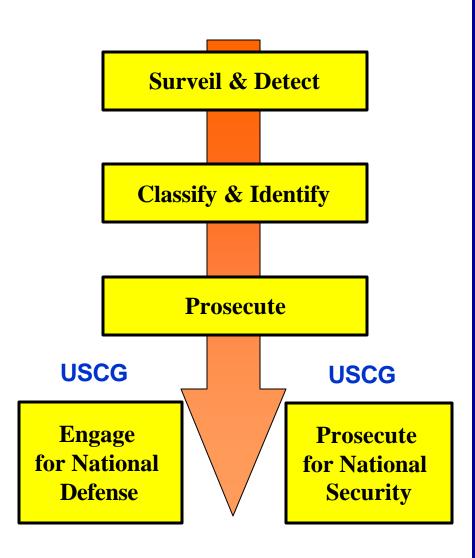
Maritime Security "Cornerstones"



Prevention and timely response are key to success:

- Active and acceptable presence
- Mission task sequence
- Innovative tactics, techniques
 & technologies
- Local, regional, national and international cooperation
- Outreach and education





Homeland Security



Post 9/11 Requirements







Executive Order 13228

Surveil

Detect

Classify

Identify

Supports

Build Maritime Domain Awareness

Ensure Controlled Movement of High Interest Vessels

Enhance Presence and Response Capabilities

Protect Critical Infrastructure and Enhance Force Protection

Increase Domestic and International Outreach

Detect

Prepare

Prevent

Supports

Protect

Respond

Recover

Prosecute

21st Century Environment

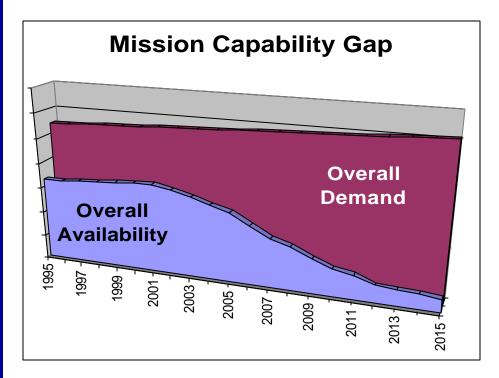




Impact: Studies predict an increase in the nation's reliance on the Coast Guard.

Challenges: Widening Gap





International Trends:

- Doubling World Population
- Declining Fish Stocks
- Post Cold War Regional Conflicts
- Tripling of International Commerce



Increasing National Demand - the nation's demand for Coast Guard services already exceeds available resources and demand is projected to increase.



Decreasing USCG Capability - the Coast Guard's Deepwater fleets are antiquated and have significant operational limitations.

Legacy Deepwater Assets



1986 - 2005



1982 - 2002

1972 - 1997

91 Cutters









1967 - 2008







Challenge: Aging Deepwater Assets



- Capability Gap Mission demands exceed capabilities (e.g. speed, sensors, comms)
- Technology Gap 30+ year old technology hinders effectiveness & drives up costs



• Logistics Gap - Maintenance costs increasing while operational availability decreasing



The average age of our Deepwater cutters is 28...The Coast Guard fleet of High and Medium Endurance Cutters is older than 37 of the 39 (naval) fleets worldwide...

Solution: Integrated Deepwater System





Acquisition Strategy:

- Integrated System of Systems
- Focus on Capabilities
 Not Assets
- Collaborative Industry Partnership

Overarching Objective:

Maximize Operational
 Effectiveness while Minimizing
 Total Ownership Costs

Advantages of an Innovative Approach



System of Systems Approach

- Mission-based performance acquisition approach
- Performance specifications for assets based on fundamental capabilities needed to optimize mission performance while minimizing total ownership costs
- Overall force multiplier by using a seamless coordinated performance of missions by multiple assets
- Greater management and funding flexibility

Strategic Benefits

- Interoperability built-in
- Optimum type and number of assets determined
- Office of Federal Procurement Policy endorsement

National Priority/Interagency Task Force



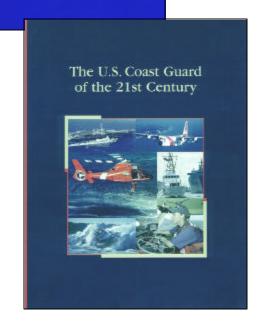
The time is now... the need is real!

- The Coast Guard's *roles and missions* support national policies and objectives that *will endure* into the 21st century.
- The recapitalization of the Coast Guard's Deepwater capability is a *near-term national priority*.
- The Deepwater acquisition project is a sound approach and the Interagency Task Force strongly *endorses its process and timeline*.
- The nation today faces numerous *threats...* a situation *likely to worsen* during the next two decades.

A Coast Guard For the Twenty First Centur

Report of the Interagency Task Force on U. S. Coast Guard Roles and Missions

December 1999



Phase 2 Industry Teams



The Boeing Company

Subcontractors include

- European Aeronautic, Defense and Space (EADS) Construcciones Aeronauticas S.A. (CASA)
- European Aeronautic, Defense and Space (EADS) Eurocopter
- Northrop Grumman Ship Systems Avondale Operations
- John J. McMullen & Associates, Inc.

Integrated Coast Guard Systems

A joint venture consisting of

- Lockheed Martin Naval Electronics & Surveillance Systems (NE&SS)- Surface Systems
- Northrop Grumman Ship Systems Ingalls Operations

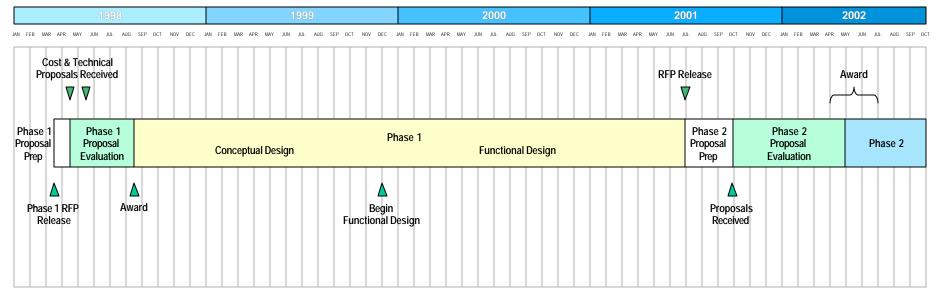
Maritime Systems Alliance

A joint venture consisting of

- Science Applications International Corporation
- Raytheon Company
- The Manitowoc Company, Inc.

Deepwater Milestones

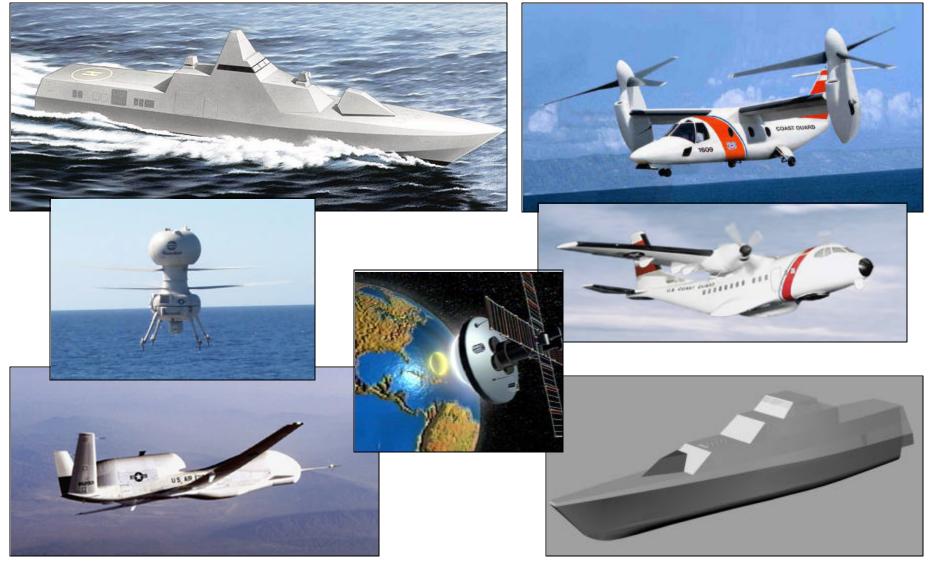




- RFP Released 29 June 2001
- Proposals Received 28 September 2001
- Award 3rd Quarter, Fiscal Year 2002

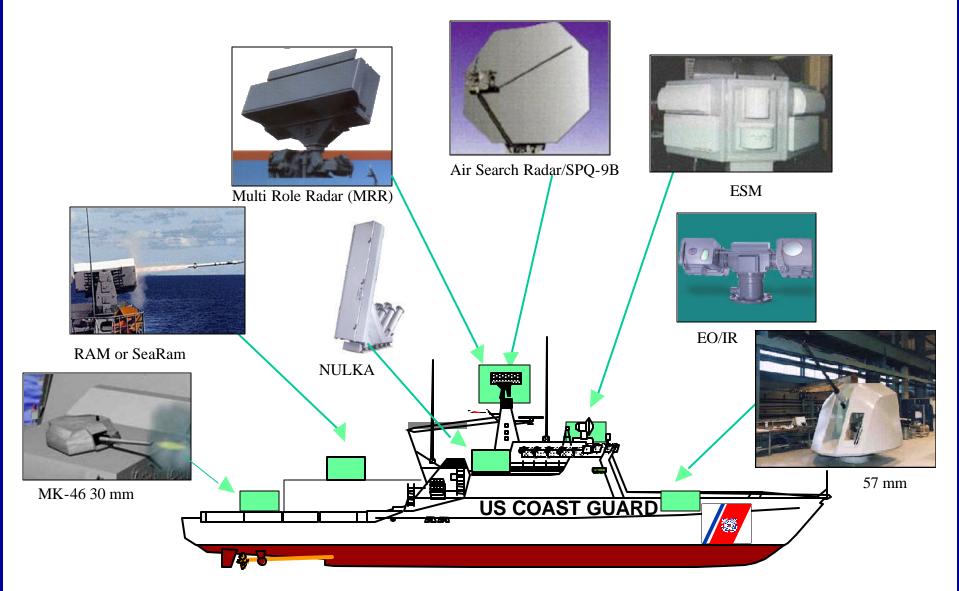
Realm of the Possible





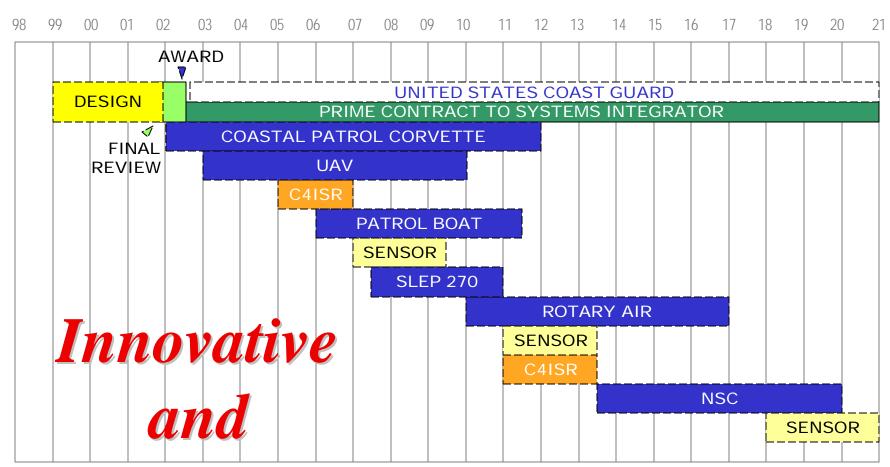
Notional Weapons Suite





Notional Timeline





Flexible

Why Leverage Deepwater?



- The Integrated Deepwater System will enable the Coast Guard to
 - Maintain credible presence in key maritime regions to deter potential threats to U.S. sovereignty
 - Exercise sea control and projection of law enforcement and naval/maritime power should deterrence fail
- Provides Nation best national security, military, law enforcement, and search & rescue capability for taxpayer's dollar
- Ensures USCG remains best CG in the world; USN remains best Navy in the world.

Today's ship forces are heavily tasked in meeting the current security demands and there is little elasticity left to respond to an emergent crisis in one region without reducing forward presence in another.

2000 QDR Input from Ships Task Force to Modernization Panel

People... Performance... Partnership







"We must make sure that our Coast Guard has got a modern fleet of vessels."

President George W. Bush January 25, 2002

Visit us on the web at http://www.uscg.mil/deepwater